

ORIGINS OF THE FRENCH WELFARE STATE

The struggle for social reform in France 1914–1947

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An industrial model of family welfare

Among the several factors that explain the development of family welfare in the 1920s, none is more important than the social and economic transformation brought about by the Great War. The war precipitated an unprecedented state intervention into industrial organization and labor relations that touched virtually all areas of social policy. Perhaps the most influential wartime innovation was the system of worker remuneration known as the *salaire vital*, which explicitly divided the wage between two basic categories: productive and social use. This chapter analyzes the *salaire vital* and its influence on Paris metals employers' postwar adoption of family allowances as a wage strategy. The growth in industrialists' payment of family allowances functioned in tandem with France's growing pronatalist movement, which provided both rhetorical ammunition to employers as well as a popular justification for their policies. The immediate postwar years also witnessed the diffusion of *caisses de compensation* (equalization funds). These funds served as clearing houses for debts and credits, and facilitated employers' collective implementation of their new wage strategy. Once the national scope of the family allowance movement became evident, employers organized a lobby, the Comité Central des Allocations Familiales (CCAF), whose association with the powerful Comité des Forges lent it immediate weight in parliamentary circles. The CCAF eventually played a critical role in guarding against state intervention as well as the geographic extension of employer family allowance *caisses*. The post-1918 decade marked a golden age for employers' control of family welfare. The number and influence of their *caisses* grew well beyond expectations and operated in near total liberty, unencumbered by either state regulation or by collective bargaining.¹ The 1930s would prove much less favorable, but in the 1920s, employers' influence over worker welfare appeared nearly limitless.

¹ Interview: Aymé Bernard, conducted by Danièle Hanet, Comité d'Histoire de la Sécurité Sociale, 12 December 1975, Archives Nationales de France, hereafter AN, 37 AS 2.

INDUSTRIAL ORGANIZATION, METALS EMPLOYERS,
AND THE *SALAIRE VITAL*

Wartime industrial mobilization played a critical role in the growth of employer-controlled family welfare. Even before the war, the steel industry possessed the most powerful trade associations in France: the Comité des Forges and the Union des Industries Métallurgiques et Minières (UIMM). Dating from the Second Empire (1852–1870) and representing three-quarters of French steel producers, the Comité des Forges maintained order among domestic rivals and defended its members against foreign competition.² When the government found itself dangerously unprepared for a long war and in desperate need of an organization that could quickly organize massive increases in industrial production, the Comité des Forges was well positioned to aid the war effort and to simultaneously consolidate its hold over metals production.³ However, government-created consortia, which were the brainchild of socialist minister of armament Albert Thomas, eventually challenged the Comité des Forges to oversee war-related production. By 1916, consortia administered several sectors of the wartime economy and oversaw the purchase and distribution of raw materials as well as government procurement. In theory, each consortium was responsible to one of the government's executive committees, but in the case of the Consortium of Iron Merchants, substantial power continued to flow from the Comité des Forges, particularly its secretary-general, Robert Pinot.⁴

In addition to national, sector-specific consortia, the government sanctioned the creation of regional consortia in order to coordinate labor and wage policies.⁵ In January 1917, UIMM official and industrialist Louis Renault successfully lobbied the government to support a consortium of Paris metals employers. Using his ties with the Comité des Forges and the UIMM as an inducement, Renault succeeded in bringing together hundreds of employers in the Paris region, ultimately forming one of the most important regional employer associations in France: the Groupe des Industries de la Région Parisienne (GIRP). Before the end of the war, the GIRP became the official intermediary for the minister

² John F. Godfrey, *Capitalism at War: Industrial Policy and Bureaucracy in France 1914–1918* (New York: St. Martin's Press, 1987), pp. 13–17, 221.

³ Gerd Hardach, "Industrial Mobilization in 1914–1918: Production, Planning, and Ideology," in Patrick Fridenson (ed.), *The French Home Front, 1914–1918* (Providence RI: Berg, 1992), pp. 57–88.

⁴ Godfrey, *Capitalism at War*, pp. 225–226.

⁵ A shop steward system enabled workers to participate in factory-level discussions, but their influence on planning was nil. See Hardach, "Industrial Mobilization," p. 68.

of armament regarding labor policy. Its delegates were invited to sit with related government study groups and their views were deemed to represent the interests of member firms. Later, on May Day 1920, the GIRP changed its name to the Groupe des Industries Métallurgiques, Mécaniques, et Connexes de la Région Parisienne (GIMM).⁶

The GIRP worked closely with the government to pacify labor unrest during the final year of the war when strikes reached their wartime height. The decree of 17 January 1917 empowered the government to arbitrate wage disputes for all munitions workers. The decree, however, did not put an end to strikes. In fact, the number of strikes in France actually rose from 314 in 1916 to 696 in 1917, as did the number of strikers from 41,409 to 293,810.⁷ Popular resentment over wages that failed to keep pace with rising prices, especially in foodstuffs, continued to spur labor unrest.⁸ Heavy government borrowing to pay for the war and political leaders' unwillingness to raise taxes meant that tough wage restrictions were needed to attenuate inflationary pressures.⁹

In order to ease wage demands and to avoid a wage-driven inflationary spiral, Charles Picquenard, director at the ministry of labor, and William Oualid, deputy director at the ministry of armament promulgated the *salaire vital*. The *salaire vital* divided the wage into four constituent parts. The first two components, the base wage and merit pay, pertained to the worker's productive capacity. However, the third and fourth portions, a cost-of-living stipend and a family allowance, referred to social circumstances that were unrelated to output. The *salaire vital* thus redefined the wage, by adding to it the social needs of workers. Because different workers had different needs, their remuneration varied even when they furnished identical work. Picquenard and Oualid defined family allowances as "supplementary remuneration, attributed to the worker independently of the value of his work and calculated according to his family responsibilities."¹⁰ Under the *salaire vital*, government arbitrators in wage disputes could target their decisions to achieve the highest overall satisfaction among workers at the least cost.¹¹

⁶ Further pressure from the UIMM increased GIMM membership from approximately 400 in 1920 to 1,009 by the end of 1922. GIMM *Annuaire* 1920–1922, AN 39 AS 873.

⁷ Hardach, "Industrial Mobilization," p. 75. ⁸ *L'Humanité*, 21 November 1917.

⁹ Tom Kemp, *The French Economy, 1913–1939: The History of Decline* (London: Longman, 1972), pp. 61–62.

¹⁰ William Oualid and Charles Picquenard, *Salaires et tarifs, conventions collectives et grèves: la politique du Ministère de l'Armement et du Ministère du Travail* (Paris: Presses Universitaires de France, 1928), p. 241.

¹¹ *Ibid.*, pp. 105–108.

Picquenard and Oualid, visionary civil servants that they were, did not create the concept of the *salaire vital* but rather improvised upon earlier efforts to maintain the standard of living of working-class families during wartime. At the time of the *levée en masse* in 1793, soldiers were provided with additional pay for wives, children under twelve, fathers over sixty, and widowed mothers of any age. War allowances (*allocations de guerre*) were abolished at the time of the Restoration, but reemerged in various military and pronatalist legislation under the Third Republic.¹² According to the law of 5 August 1914, pay for mobilized personnel from needy families was supplemented with family allowances paid by the state.¹³ Thus, Picquenard and Oualid's innovation of the *salaire vital* pertained less to the nature than to the scope of wartime support for dependent families. They merely followed the logic of total war that had been created by the industrial age. Whereas only those serving under the colors (and a small number of civil servants) had previously been eligible for family allowances, now all munitions workers merited the same benefits as their brothers under arms.

The elaboration of the *salaire vital* struck a blow to those metal workers who advocated equal pay for equal work, a demand that was particularly important for women. Wartime family allowances in private industry were based on the employment of the *chef de famille*. Although a female munitions worker whose husband had been mobilized could continue to receive war allowances from the state (if she did not earn more than five francs per day) she could not attain the status of *chef de famille*.¹⁴ Women whose spouses were not mobilized but employed in a profession where family allowances were not available also went empty-handed. Thus the wartime elaboration of the *salaire vital* complemented industrialists' ongoing reorganization of work and managerial practices to accommodate their new female workers in subordinate positions where wages were lower. This was especially true in metalworking, which was almost exclusively practiced by men before 1914.¹⁵ Women workers constantly

¹² André Lebreton, *La Famille et les lois sur les allocations de guerre, les pensions militaires et le pécule* (Saint-Brieuc, 1921), pp. 11, 21–22, 29; André Fonvieille, *Etude critique du régime des allocations aux familles des militaires soutiens indispensables* (Montpellier: L'Abeille, 1919), p. 237.

¹³ Ministère de l'Intérieur, Direction du Personnel, *Décrets, arrêtés et circulaires concernant l'application de la loi du 5 août 1914 sur les allocations aux familles des mobilisés* (Melun: Imprimerie Administrative, 1915).

¹⁴ CGT leaders concurred in this policy. Congrès Confédéral de la CGT, *compte rendu*, "Commission supérieure des allocations militaires," July 1918, p. 11.

¹⁵ Laura Lee Downs, *Manufacturing Inequality: Gender Division in the French and British Metalworking Industries, 1914–1939* (Ithaca, NY: Cornell University Press, 1995), chapter 3.

expressed their frustration at being unable to achieve equal pay for equal work due to the employer practice of making minor changes in tasks to create new job descriptions.¹⁶ Equal pay for equal work would become a slogan used by the Confédération Générale du Travail (CGT) against family allowances after the war, but during the war Secretary-General Léon Jouhaux led the union on a path of collaboration that included acceptance of the *salaire vital*.

Family allowances comprised only one aspect of the wartime development of family welfare under employer control. The increased cost of living, especially in centers of war production such as Paris, led minister of armament Thomas to require employers to create housing, cafeterias, stores, and infant day-care centers for the use of their personnel. By October 1917, munitions employers had built 182 factory cafeterias (*restaurants d'usine*), capable of feeding 100,000 workers daily, and 81 stores where supplies could be purchased more conveniently than from other merchants. Shortly before Thomas' departure from his ministry in September 1917, he mandated nursing rooms (*chambres d'allaitement*) for munitions firms employing more than one hundred women between the ages of fifteen and thirty-six. Thomas could impose these requirements because the state was a monopoly customer in the munitions market and because it controlled a scarce supply of skilled workers due to universal conscription. Thomas allocated workers who were recalled from the front in such a way as to increase his leverage on working conditions. In some cases, employers were eager to provide low-cost concessions on working conditions in return for labor peace. Unfortunately, few of the physical modifications that Thomas imposed on employers' plants lasted more than a few months after the Armistice. Employers had always insisted on their provisional character, and once wartime regulation ended, many of these facilities were abandoned.¹⁷

Employers were adamant about their prerogative to set labor policies in the postwar years. A major strike in the Paris metals sector in May 1918, in which 100,000 workers stayed off the job, alerted employers that the postwar environment would be rife with labor-management conflict. In fact, Picquenard hosted a special conference at the Musée Social in Paris during the summer of 1917 entitled *La Guerre et la vie de demain*

¹⁶ See Congrès Confédéral de la CGT, XXVIe Congrès National Corporatif, XXe de la CGT, "Les droits de la femme dans l'économie moderne," *compte rendu*, September 1929, pp. 89–90. Also see Oualid and Picquenard, *Salaires et tarifs*, pp. 108–112.

¹⁷ Aimée Moutet, "Patrons de progrès ou patrons de combat? La politique de rationalisation de l'industrie française au lendemain de la première guerre mondiale," *Recherches*, 32–33 (September 1978), 449–489; Downs, *Manufacturing Inequality*, p. 259.

(“The War and the Life of Tomorrow”) at which he outlined the potential for heightened worker militancy. Picquenard’s analysis paralleled a study conducted by the Syndicat des Mécaniciens, Chaudronniers et Fondateurs de France. Both noted that wages had risen unsustainably during the war due to overtime hours, the replacement of piecework by hourly wages, and state subsidies. Thus, after the war, wages would need to be tamed in order to prevent rampant inflation. The Syndicat offered some solace to its member firms by noting that the rationalization of work that had been achieved during the war would continue to hold down costs. But the Syndicat also counseled employers to maintain and expand their use of the *salaire vital*.¹⁸

POSTWAR CONDITIONS AND THE INSTITUTION OF FAMILY ALLOWANCES

The spring of 1919 witnessed the explosion of labor unrest that had been predicted by Picquenard and others. The struggle proved critical for the institution of family allowances in the Paris metals industry and prompted employers to strengthen the collusion that the state had instigated among them during wartime. It also decided the fate of wartime cost-of-living stipends and paved the way for employer control of family allowances.

In Paris, strikes began in May 1919 and continued into the summer, with the largest walkout occurring on 4 and 5 June when workers effectively shut down the entire metals industry. 165,000 of approximately 200,000 metal workers struck, blocking factory entrances or protesting in the streets.¹⁹ Under the GIRP’s leadership, employers succeeded at limiting the gains of labor, which elevated the status of the GIRP’s president, Pierre Richemond, among Paris metals employers. As his status rose, so did his ambitions. Richemond insisted that the GIRP could expand employer collaboration beyond anti-strike management in order to create more efficient labor and wage policies.²⁰ Richemond’s first opportunity to demonstrate the usefulness of expanded collaboration

¹⁸ *Information Ouvrière et Sociale* 52 and 53 (1 and 5 September 1918). Also see *Bulletin des Usines de Guerre* 49 (2 April 1917) and George G. Humphreys, *Taylorism in France 1904–1920: The Impact of Scientific Management on Factory Relations and Society* (New York: Garland, 1986). Also see Oualid and Picquenard, *Salaires et tarifs*, pp. 509–519.

¹⁹ Aimée Moutet, “La Rationalisation industrielle dans l’économie française au XXe siècle: étude sur les rapports entre changements d’organisation technique et problèmes sociaux, 1900–1939,” thèse de doctorat d’état, Université de Paris I (1984), pp. 261–268.

²⁰ GIMM “Enquête sur les concessions possibles,” May–June 1919, AN 39 AS 914; AN 39 AS 856.

came when workers demanded that the cost-of-living stipend that had been instituted during the war be subsumed into the base wage of the *salaire vital*. The stipend accounted for between 10 and 20 percent of take-home pay. Workers feared that employers might use the Armistice as a pretext to abolish the stipend, claiming its wartime *raison d'être* had expired. Earlier, in November 1917 workers had militated for a closer association between the cost-of-living stipend and the base wage. At that time, the GIRP successfully rebuffed the demand, pointing to the exceptional circumstances produced by the war. The state, they insisted, had created and thus controlled the disposition of the stipend.²¹ While this approach prevailed during the war, it assured a subsequent dispute in which employers had little room for maneuver. Increased union militancy and a continued shortage of skilled metal workers appeared to block employers from abolishing the cost-of-living stipend. However, by continuing its distinctive existence within the remuneration system, employers were liable for automatic wage adjustments according to inflation. While this had been the case during the war, there had also been government arbitrators to enforce decisions and industrialists had been assured significant profits from weapons production. Postwar conditions did not offer similar guarantees. Under the inflationary conditions and unstable market that returned to France after the war, metals employers were loathe to accept automatic wage adjustments. Instead, under the leadership of Richemond, employers pursued a third strategy. They conceded the value of the existing cost-of-living stipend by folding it into the base wage, but they vowed to resist any further wage adjustments for inflation. In order to assuage a critical portion of workers, employers instituted generous family allowances.²²

Paris metals employers' adoption of a wage strategy based on family allowances was also due to outside influences. To be sure, Richemond saw the potential of family allowances earlier than most of his colleagues but transforming the wage practices of hundreds of independent employers could not be accomplished by a single individual or even the weighty GIRP (or GIMM as it became known in May 1920). Richemond and his associates at GIRP, while instrumental in the creation of family allowances, were themselves guided by three developments outside the Paris metals industry. First, during the war, a social Catholic industrialist in Grenoble, Emile Romanet, had invented the *caisse de compensation*, a mechanism that spread the cost of family allowances among employers.

²¹ *L'Humanité*, 21 November 1917.

²² GIMM "Grèves et revendications," March–May, 1920, AN 39 AS 915.

Second, the resurgence of the French pronatalist movement provided a rhetoric that proved useful for the spread of allowances. Third, legislation that would have forced employers to pay family allowances acted as a catalyst to voluntary action. Let us consider each of these developments in turn.

In September 1916, Emile Romanet, a manager of the Regis-Joya metalworks in Grenoble, conducted a simple but groundbreaking experiment. He examined the living conditions of eight of his workers, all men, each with different family circumstances. Romanet was struck at the vast difference in quality of life enjoyed by the subjects of his study. Single and married workers without children, he observed, managed fairly well, whereas workers with dependent children under the age of thirteen were much less well off. And fathers of truly large families, containing eight to ten children, lived as if poverty-stricken despite their full-time employment. These findings led Romanet to calculate hypothetical pay bonuses according to family size; he then compared these costs to uniform increases for all workers. Supposing a rise in the cost of living index that would normally result in a 0.80 francs general hike in daily wages, Romanet instead reduced the increase to childless workers and women to 0.60 francs and increased the wage hike for fathers to 0.90 francs. The general wage increase of 0.80 francs resulted in a total daily cost for the company of 3,908.80 francs. The wage hike based on dependent children, however, resulted in a total daily cost to the company of 3,316.20 francs, or 592.60 francs less than the general increase. For Romanet the social Catholic, this simple experiment demonstrated the advantages of family allowances for both needy workers and employers.²³

Yet for Romanet the industrial manager a vexing problem remained, which would effectively preclude the spread of family allowances. Employing men with children was simply more expensive. A firm that employed relatively more fathers than its competitors would suffer a competitive disadvantage due to higher labor costs. Employers' fear of such a disadvantage would forever contain the institution of family allowances to paternalistic social Catholic employers like Regis-Joya in Grenoble. Further, if the institution did spread, it would discourage the hiring of family men while encouraging the employment of more women, neither of which Romanet wanted to abet. In a breakthrough, the importance of which cannot be underemphasized, Romanet created a *caisse de compensation*.²⁴ This mechanism served as a clearinghouse through which

²³ Emile Romanet, *Les Allocations familiales* (Lyon: Chronique sociale de France, 1922), pp. 1–5.

²⁴ Paul Dreyfus, *Emile Romanet: père des allocations familiales* (Grenoble: Arthaud, 1964), p. 78.

employers of a particular region or industry could collectively equalize the costs of dependent children among their personnel. The simplicity of Romanet's innovation greatly contributed to its spread, especially among industrialists whose wages and employment ratios of eligible beneficiaries were not substantially different.²⁵ The *caisse de compensation* achieved widespread attention just as France entered a two-decade-long period when concerns over depopulation became a well-entrenched feature of public life.

The French public broadly accepted the ethic of pronatalism as a way of dealing with the upheaval and destruction of the Great War. The demographic disaster of the war was obvious. 1.5 million dead, 3 million wounded, and 1.1 million who had suffered a permanent disability. In addition to a widespread perception that France had lost almost an entire generation of potential fathers, a wartime upheaval in traditional gender roles also boosted the appeal of pronatalist organizations. These groups tied French population decline to the erosion of a "domestic ideal" whereby women's proper role lay in bearing and caring for children. France could only safeguard its victory and regain international preeminence through a restoration of the *mère au foyer*. Such views became ubiquitous in the popular press and on the lips of the country's foremost political leaders. From the floor of the Senate in 1919, Georges Clemenceau insisted that, "the Treaty of Versailles does not mention that France pledges to have more children, but it is the first thing that should have been written. For if France renounces large families, you can insert all the beautiful clauses you want in the Treaty . . . taking all artillery from Germany, and France will still be lost because there will not be enough French."²⁶ Clemenceau's entreaty was but one of many pronouncements by public officials that marked a firing of the pronatalist movement after the war.²⁷

The Alliance Nationale pour l'accroissement de la population française constituted the most prominent pronatalist organization. Founded by government statistician Jacques Bertillon in 1896, the Alliance Nationale quickly gained the support of Deputy André Honnorat and physicians Charles Richet and Emile Javal.²⁸ The development of a

²⁵ Romanet, *Les Allocations familiales*, pp. 1–5; Georges Maignan, *Les Allocations familiales dans l'industrie et le commerce* (Paris: 1946), p. 32; Oualid and Picquenard, *Salaires et tarifs*, p. 480.

²⁶ *Journal Officiel*, hereafter *JO*, Débats parlementaires, Sénat, 11 October 1919, pp. 1625–1626.

²⁷ The premier source on these groups remains Talmy, *Histoire du mouvement familial*, vol. 1, chapters 5–7. Also see Tomlinson, "The Politics of 'Dénatalité,'" chs. 5 and 6.

²⁸ The letter circulated by Bertillon to convoke the Alliance Nationale's first meeting referred to the organization as the "Alliance Nationale pour le relèvement de la population française pour l'égalité devant les impôts," Alliance Nationale, Conseil d'Administration, *procès-verbaux*, 12 May 1896.

vibrant pronatalist movement was crucial to the expansion of family allowances in industrial circles *not* because it motivated employers to pay allowances in the first place, but because it supported allowances instead of workers' demands for a universal "family wage." The Alliance Nationale and its supporters in government, the press, and education succeeded in creating a popular perception that paying an individual a family wage was both immoral and dangerous to the economy. In a March 1920 study the Lyon metals group called employers' attention to the dangers of paying a childless worker too much. The report asserted that those without children were not fulfilling their social responsibilities and should not enjoy the same income as parents. Opposed to "equal pay for equal work" on the grounds that it would spur inflation, the authors advocated the continuation and development of the *salaires vital*, which they claimed was "more rational, more human, and more social."²⁹ Social Catholic industrialists, such as Romanet, made the same argument which in essence declared family allowances to be the solution to inflation: "It is a universally recognized fact that uniform wage increases beget a vicious cycle, aggravating the economic situation. For with each increase in wages, corresponds a parallel and often bigger increase in prices. To the contrary, unequal increases in wages, as in the application of family allowances, is doubly beneficial in reestablishing economic stability: they are less costly for employers and consequently they can lessen the increase in prices that must legitimately be charged on manufactured products."³⁰ Thus industrial employers benefited from the moralism of the pronatalist movement, melding it with their self-interested economic calculations in order to create a perception that granted credence, even altruism, to a new wage strategy based on family allowances.

By 1920, leaders of the Paris metals group were prepared for action. GIMM President Richemond had been tracking cost-of-living stipends since the end of the war. He had also established contact with industrialists in Isère where Romanet's brainchild *caisse de compensation* was yielding practical results. Moreover, GIMM employers had conducted surveys to ascertain the birthrate of metal workers and their existing family circumstances.³¹ Meanwhile the Comité des Forges and the UIMM were mobilizing in favor of voluntary family allowances to

²⁹ *La Journée Industrielle*, 6 March 1920.

³⁰ "Exemples d'institutions ou d'organisations sociales existant chez quelques-uns des membres de l'union," *Union Fraternelle du Commerce et de l'Industrie*, Grenoble, no. 1, June 1920, in AN 39 AS 387.

³¹ Letter, Keller, Syndicat des Constructeurs Mécaniciens Isère, to Richemond, 21 May 1918; Memo, Villey to Poughon, 4 September 1920, AN 39 AS 837.

head off the possibility of state intervention that would mandate their payment. In March 1919 the secretary-general of the UIMM, Alfred Lambert-Ribot, sent a memo to member associations, including the GIMM, advocating that they create *caisses de compensation* such as that recently founded by Romanet in Grenoble.³²

Leadership of the metals industry feared passage of a bill sponsored by Radical Maurice Bokanowski, a deputy from the Seine, which would require commercial, industrial, and agricultural employers to join *caisses de compensation*. Bokanowski's bill spelled out specific minimum allowances, instituted mandatory maternity and nursing stipends, and required the payment of bonuses for the birth of each child. The cash value of each of these allowances and the birth bonus would be calculated as a percentage of a worker's wages: the standard family allowance could not fall below 5 percent for the first child and 7.5 percent for each additional child until the age of fourteen. The nursing stipend would be worth 10 percent and a birth bonus fully 66 percent of a worker's monthly wage.³³ The Bokanowski bill presented a major threat to industrialists like Richemond who envisioned family allowances as a flexible instrument that could be used to hold down real wages and divide unions.

To employers' dismay the Bokanowski bill quickly gained broad support in the legislature. This, no doubt, was due to industrialists own pronatalist propaganda in praise of family allowances. Moreover, Bokanowski's proposal appeared to tread as lightly as possible by using employers' existing *caisses de compensation*, and leaving the administration of allowances in employers' hands. Deliberations of the Chamber's Commission d'Assurance et de Prévoyance Sociales (CAPS) on the Bokanowski bill foreshadowed many of the crucial issues that would face the family allowance movement during the next two decades. These included the question of obligation itself, the role of the state, and how to include France's large agricultural sector. In the end, the CAPS charged Victor Jean, a Radical from Bouches-du-Rhône, to draft a favorable report to the Chamber.³⁴

After failing to stop the Bokanowski bill in the CAPS, opponents focused their efforts on the Conseil Supérieur du Travail, a consultative body attached to the ministry of labor. Dominated by industrial and

³² Louis Audouin, *Les Caisses de compensation et les allocations familiales dans l'industrie française* (Poitiers: H. Mansuy, 1928), p. 15; Jean Duporcq, *Les Œuvres sociales dans la métallurgie française* (Paris: Université de Paris, 1936), p. 36; Pedersen, *Family, Dependence, and the Origins*, pp. 264–265.

³³ *JO*, Documents parlementaires, Chambre, 24 February 1920, 1920, annexe no. 386, pp. 561–564.

³⁴ Commission d'Assurance et de Prévoyance Sociales, Chambre, *procès-verbaux*, 12th Legislature, 1919–1924, A13, Dossier 1105, vol. 2, 4 March and 29 April 1921, Archives de l'Assemblée Nationale.

commercial leaders, the Conseil declared that family allowances might be beneficial to working families and increase the birthrate, but the situation did not warrant state action. Further, the Conseil found Bokanowski's requirements far too burdensome for the precarious state of French industry.³⁵ Although the Conseil Supérieur du Travail played no formal legislative role, its strident opposition to the Bokanowski bill displayed such powerful industrial and commercial opposition to parliamentary action that Victor Jean's report from the CAPS never made it to the Chamber floor for a vote.³⁶

Bokanowski had provoked the first interwar legislative battle over the question of state intervention into family welfare. Although his bill would have left administration of allowances in employers' hands, they rejected his attempt to compel allowance payments, especially through a percentage-of-wage method.³⁷ Once the full force of employer opposition to the legislation became evident, many legislators whose pronatalist pledges had led them to support the legislation, withdrew their support.³⁸ In return, employers promised a massive but voluntary expansion of family allowances.

FOUNDATION OF THE *CAISSE DE COMPENSATION*
DE LA RÉGION PARISIENNE

On 1 March 1920, less than a week after the introduction of the Bokanowski bill, Richemond presided over the constituent assembly of GIMM's *caisse de compensation* in Paris, the Caisse de Compensation de la Région Parisienne (CCRP). Only 87 GIMM members initially enrolled in the CCRP, but enrollment rose as word of the threat of state intervention spread and Richemond invested his own prestige in the project by assuming the CCRP presidency. In order to entice members the CCRP initially set allowances so as not to exceed a quarterly cost of

³⁵ Conseil Supérieur du Travail, 25th session, *compte rendu et annexes*, 16 November 1921, pp. 20–29.

³⁶ *Tables analytiques des annales de la Chambre des Députés*, 12th Legislature, 1919–1924, Tables de matières (Paris: Imprimerie de la Chambre des Députés), no. 3, p. 570.

³⁷ Conseil Supérieur du Travail, 25th session, "Rapports sur les allocations familiales, présenté au nom de la Commission permanente," *compte rendu et annexes*, 17 November 1921, pp. 63–71. The author of the Conseil's final report was Léopold Pralon, vice president of the Comité des Forges.

³⁸ In the elections of 1919, 43 percent of all elected deputies included pronatalist pledges in their *professions de foi* up from 8 percent in 1910. By 1920, 47 percent of all deputies belonged to the Chamber's Groupe pour la protection de la natalité et des familles nombreuses, up from 18 percent in 1911. See Tomlinson, "The Politics of 'Dénatalité,'" pp. 330, 338, 340. Also see Commission d'Assurance et de Prévoyance Sociales, Chambre, *procès-verbaux*, 12th Legislature, 1919–1924, A13, Dossier 1105, vol. II, 11 March 1921; Commission du Travail, Chambre, *procès-verbaux*, 12th Legislature, 1919–1924, A73, Dossier 5310, no. 1, 2 January 1922, Archives de l'Assemblée Nationale.

1.2 percent of wages. The CCRP further promised that administration of the *caisse* would cost only one-hundredth of 1 percent of wages.³⁹ The first allowance schedule paid a flat ten francs for each eligible child. Richemond's gamble that the CCRP would attract sufficient participation among GIMM members proved well placed when heavyweight metals employers André Citroën, Ernest Dalbouze, René Duchemin, Etienne Partiot, and Louis Renault lined up in support. With enrollment climbing past 400 by the fall of 1920, Richemond commented to his colleagues on the CCRP governing board that "introduction of the legislation by Deputy Bokanowski amply justifies the energy we have expended in organizing the *caisse de compensation* and assuring its function before state intervention."⁴⁰

Yet a simple threat of state intervention, as real as it was, could not transform all 1,003 GIMM members into allowance-paying employers. To achieve this, Richemond needed to take his case for a family allowance wage strategy directly to the GIMM membership, which he did at the annual meeting in March 1923. His speech there, delivered during widespread strikes at GIMM plants, provided an unprecedented avowal by an important industrial leader concerning the role of family welfare in industrial wage strategy. Richemond observed that although the cost-of-living index actually fell during the first half of 1921, the corresponding drop in wages was not as great. Therefore, Richemond noted, inflation-adjusted wages were a one-way street where only workers could move forward. He then delivered his main point: "Family allowances permit us to place our comparisons of prewar and postwar wages on a more just and better defined foundation . . . You understand then, gentlemen, the precise solution that your governing board proposes. On wages, no uniform changes: if certain individual cases are below average . . . then some adjustment can be made on an individual basis, *but there can be no general increases*."⁴¹ The membership embraced Richemond's appeal. In the spring of 1923 several member firms faced strikes by the Confédération Générale du Travail Unitaire (CGTU) over their refusal to increase wages to keep pace with the rising cost of living. In response, Richemond replaced the original allowance schedule with a progressive scale, raising second- and third-child allowances to 30 and 50 francs respectively, with 80 francs for every fourth and additional child.⁴²

³⁹ CCRP Commission de gestion, *procès-verbaux*, 28 July 1920.

⁴⁰ *Ibid.*, *procès-verbaux*, 22 October 1920.

⁴¹ GIMM Assemblée générale ordinaire, *ordre du jour*, 22 March 1923, AN 39 AS 856.

⁴² GIMM Assemblée générale extraordinaire, *ordre du jour*, 7 May 1923, AN 39 AS 856.

Percentage of workforce

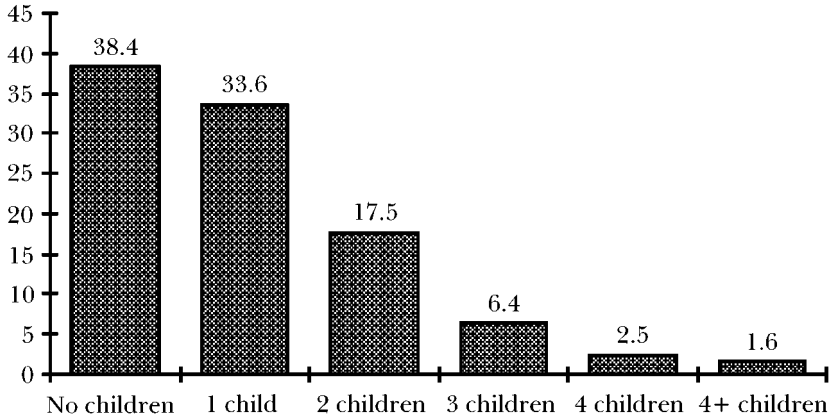


Figure 1 Family circumstance of GIMM personnel. Data derived from Gustave Bonvoisin and Georges Maignan, *Allocations familiales et caisses de compensation* (Paris: Recueil Sirey, 1930), note, p. 192.

Thus, an average male worker with four children whose base and merit wages totaled 400 francs per month, and who had been bringing home an additional 40 francs in family allowances for a total monthly pay of 440 francs, saw his monthly take-home pay rise to 570 francs or about 30 percent. A similar father of nine children enjoyed a raise from 490 francs to 970 francs or about 98 percent. These examples made stupendous propaganda for employers while actually costing them very little. In 1919 the GIMM had conducted a survey of the family circumstances of nearly 100,000 randomly selected workers in order to ascertain the number of children under the age of sixteen present in worker households. The results had revealed that GIMM employers could maintain a highly progressive allowance schedule at relatively little cost in comparison to general wage increases.⁴³ Figure 1 illustrates the family circumstances of GIMM personnel.

Because most households had no children or only one child, many workers received no raise at all and the total cost to GIMM employers of such a big hike in family allowances totaled only 0.5 percent of wages. While this rise represented more than a 40 percent increase in the CCRP compensation rate (from 1.2 to 1.7 percent of wages), Richemond

⁴³ Pierre Richemond, "Allocations pour charges de famille et caisses de compensation," *Revue d'Economie Politique*, September–October 1920, 590–606. See especially p. 594.

promised GIMM members that in return their labor relations would be pacified: "This is real help from your personnel's point of view and from the point of view of public opinion and public authorities. It vigorously establishes your generosity as well as the health-promoting and social value of your work and will permit you to successfully resist unjustified demands for general wage increases."⁴⁴ By February 1924 virtually all GIMM members were enrolled in the CCRP, presaging Richemond's unanimous reelection as GIMM president.⁴⁵ The CCRP armed Paris metals employers with a powerful weapon against worker demands that wages be pegged to rises in the cost of living. If inflation rose, the *caisse* hiked family allowances in order to placate workers with dependent children. Of course, employers paid for these increases, but they did so at less expense than general wage hikes and with the certainty that the load was being equally shared among all producers.

The role accorded to family allowances in the wage strategy of Paris metals employers led to an increased complexity and size of the CCRP. By March 1925 the *caisse* had 1,440 members who employed more than 260,000 workers.⁴⁶ In order to administer an organization of this size, the CCRP relied on a body of detailed regulations that categorized the diverse circumstances of employers, workers, and children. The governing board of the CCRP (*commission de gestion*), which was elected each year by the general assembly, served as the ultimate arbiter of conflicts between employers, workers, and the *caisse*. Not surprisingly, CCRP regulations devoted considerable attention to the question of exactly who was eligible to receive family allowances. Employers themselves and their managers were automatically excluded, but "all remaining personnel" were evaluated to ascertain whether they were "the legal representatives of children from whom the right to allowances is born."⁴⁷ This phrase permitted employers to insist that the legal beneficiary (*bénéficiaire*) of family allowances was not the worker, but his or her child. The worker, in contrast, was designated as the recipient (*attributaire*) of the allowance. In order to qualify as a recipient, a worker had to be a head of household (*chef de famille*) with one or more children. The regulations recognized twelve different types of heads of household.⁴⁸

⁴⁴ CCRP Assemblée générale, *procès-verbaux*, 26 March 1923.

⁴⁵ GIMM Assemblée générale extraordinaire, *ordre du jour*, 25 February 1924; GIMM Assemblée générale extraordinaire, *ordre du jour*, 28 March 1924, AN 39 AS 856.

⁴⁶ CCRP Commission de gestion, *procès-verbaux*, 12 March 1925.

⁴⁷ CCRP *Statuts et Règlement*, Articles 3 and 7 of *Règlement*, AN F22 1536. "All remaining personnel" here includes the categories usually treated distinctively in French: *Ouvriers* and *ouvrières* (generally blue collar), and *employés* and *employées* (generally white collar).

⁴⁸ *Ibid.*, Article 3.

1. Father
2. Widow
3. Divorced father with custodianship of children
4. Divorced mother with custodianship of children
5. Unmarried father with custodianship of a natural child
6. Unmarried mother of a child not recognized by the father
7. Worker of either sex who has accepted responsibility for orphans from an organization officially registered with the CCRP
8. Mother who provides written proof from her husband's employer that he is not entitled to family allowances
9. Mother who provides written proof that her husband is permanently incapable of work and is not receiving family allowances
10. Mother who has been abandoned by her husband, leaving children
11. Unmarried mother who has been abandoned by the father of her children
12. Ascendants or legal custodians

This list and accompanying regulations demonstrate a traditionally gendered construction of the family and head of household. In contrast to married fathers, married mothers were simply assumed ineligible for allowances unless they could prove otherwise under titles eight through eleven. Further, the *caisse* demanded that married women eligible under title eight resubmit written proof of their continued eligibility every six months. As for abandoned and unmarried mothers, their circumstances had to be certified at their local police station. This requirement meant considerable humiliation and probably discouraged numerous eligible women from gaining access to allowances. Meanwhile, men were simply required to provide a registered birth certificate to their employer for each eligible child.⁴⁹

Additional CCRP policies took aim at the pacification of the labor force. Only particular kinds of absences could occur if workers wanted to collect their full allowance at the end of the month. Tolerated were absences due to sickness, an injury sustained on or off the job, and a serious illness or death in a worker's family. Absence for any other reason meant an automatic reduction in the worker's allowance proportional to missed days.⁵⁰ Union activities, work stoppages, and strikes were cause for allowance reductions. Since allowances were calculated on a daily basis once an unexcused absence was recorded, a work stoppage of two hours, which was commonly used by unions to demonstrate their ability to strike without actually having to do so, became a much more costly endeavor

⁴⁹ *Ibid.*, Article 22.

⁵⁰ *Ibid.*, Articles 6 and 12.

for family allowance recipients. One communist deputy noted that “family allowances are the source of multiple abuses. Some bosses deny them when their workers decide to demonstrate. In effect, within the family itself, it is occasionally the wife who becomes the boss’s assistant. She says to her husband ‘Don’t strike. Don’t demonstrate – we’ll lose next month’s family allowance without which we can’t make ends meet. Think of your children!’ And the worker goes along and turns yellow, betraying his comrades who are committed to the struggle.”⁵¹ The CCRP also delivered allowance checks to the worker’s home and made them payable to the person most responsible for childcare, often the mother. Richemond justified this practice by arguing that mothers were more likely than fathers to use the allowance for its intended purpose.⁵² On this point he was probably right, but the practice also worked to divide the family in the same way that it divided fathers from their single comrades in the factory. Critics called this practice “an indignity that workers cannot accept. What they want is social solidarity laws, not charity!”⁵³ Protests from workers’ representatives became increasingly common in the postwar years as family allowances grew in proportion to workers’ overall take-home pay. Indeed, these protests indicate that within only a few years of its founding, the CCRP achieved considerable success in holding down wages and pacifying the metals workforce. Not surprisingly, family allowances spread quickly beyond the metals sector in the 1920s, encompassing virtually all kinds of industry and large commerce.

EMPLOYERS CREATE A NATIONAL FAMILY ALLOWANCE LOBBY

During the 1920s family allowance *caisses de compensation* proliferated in France’s industrial and commercial sectors. Provincial employers were motivated by the same set of social, economic, and cultural factors as the founders of the CCRP. As in Paris, industrialists were usually the founders of provincial *caisses* and their goals were substantially the same: wage restraint, rationalization, labor pacification, and pronatalism. In addition, provincial industrialists benefited from the creation of a national lobby, the Comité Central des Allocations Familiales (CCAF), which aided employers in setting up *caisses* and coordinated national propaganda on their behalf. Table 1.1 lists the 51 *caisses de compensation*

⁵¹ *JO*, Débats parlementaires, Chambre, 22 January 1929, p. 189.

⁵² Richemond, “Allocations pour charges de famille et caisses de compensation,” p. 598.

⁵³ *JO*, Débats parlementaires, Chambre, 22 January 1929, p. 189.

Table 1.1. *Caisses de compensation 1920*

Caisse	Firms	Workers employed	Heads of household	Children total benefiting	Paid
Amiens	31	5,820	330	950	51,147
Anger	43	2,000	460	927	30,592
Angoulême	22	1,850	497	854	43,401
Annecy	16	1,386	328	602	56,465
Armentières	19	n/a	314	536	64,411
Beauvais	25	3,690	1,000	1,806	109,213
Blois	23	2,100	545	879	554,512
Bordeaux	31	n/a	599	945	116,066
Caen	31	988	296	541	27,000
Charleville	n/a	n/a	n/a	n/a	n/a
Cholet	16	n/a	740	1,157	125,930
Dieppe	9	2,058	588	1,432	66,494
Dijon	18	3,056	789	1,299	281,983
Elbeuf (t)	47	9,870	2,047	3,409	761,414
Epernay	42	3,516	n/a	1,337	418,000
Epernay (m)	n/a	n/a	n/a	n/a	n/a
La Ferté	10	1,234	223	353	12,200
Grasse	n/a	n/a	n/a	n/a	n/a
Grenoble	n/a	4,888	1,282	2,156	479,417
Le Havre (m)	30	n/a	n/a	n/a	1,200,000
Le Havre	50	746	210	372	48,000
Lille (t)	71	n/a	910	2,261	165,670
Lille (m)	n/a	n/a	n/a	n/a	612,030
Limoges (m)	14	1,368	308	423	n/a
Limoges (p)	23	4,245	701	1,171	n/a
Lorient	11	500	443	918	3,318
Louvière	50	n/a	400	1,100	n/a
Lyon	217	29,044	7,055	11,742	1,843,002
Lyon (t)	71	9,144	1,247	1,940	324,279
Monluçon	14	7,200	2,020	3,200	347,709
Mulhouse	138	55,400	13,200	23,200	1,698,000
Nancy (m)	23	3,062	n/a	n/a	338,000
Nantes	52	20,395	7,194	12,642	1,275,121
Nevers	21	5,477	1,199	2,032	n/a
Orléans	20	2,708	214	526	52,758
Paris (CCRP)	514	197,179	62,549	68,096	11,444,031
Paris (b)	1,250	n/a	8,135	15,800	1,702,890
Rennes	66	1,752	280	726	56,214
Rodez	n/a	n/a	n/a	n/a	n/a
Roubaix (t)	512	68,000	12,792	20,675	6,800,310
Rouen (t)	112	20,000	5,822	9,635	1,700,968
Saint-Brieuc	n/a	n/a	n/a	n/a	n/a
Saint-Diz (m)	49	11,754	3,550	7,100	1,305,000
Saint-Nic (m)	6	1,063	150	380	117,839
Strasbourg	48	18,000	7,200	20,000	n/a

Table 1.1. (*cont.*)

Caisse	Firms	Workers employed	Heads of household	Children total benefiting	Paid
Thizy (t)	47	7,050	543	1,060	141,700
Toulouse	n/a	n/a	n/a	n/a	n/a
Tours	14	800	187	289	19,100
Troves	70	15,000	13,553	20,879	832,555
Vienne	69	5,410	1,411	1,879	247,525
Vierzon	n/a	n/a	n/a	n/a	n/a

Notes: t = professional textile *caisse*; m = professional metals *caisse*; p = professional porcelain *caisse*; b = professional building trades *caisse*.

Source: Bureau International du Travail, *Etudes et documents*, Série D, "Salaires et durée du travail," no. 13, "Les allocations familiales" (Geneva: A. Kundig, 1924), pp. 70–71.

that had been established by the end of 1920 and figure 2 portrays the geographic distribution of *caisses* in 1923.

Also as in Paris, metals employers in the provinces led the founding of *caisses de compensation*. The dynamism of metals industrialists in this regard reflects several compelling factors: their close association with the *salaire vital* under the guidance of the ministries of armament and labor during the war; their exposure to labor militancy and shortages after the Armistice; the superiority of their organizations, especially the Comité des Forges and regional associations such as the GIMM; and their ability to raise revenue to pay the start-up costs that were necessary for *caisses de compensation*.⁵⁴ Analogous to GIMM's predominant weight among the membership of the CCRP, the metals industry was the largest sector in the national family allowance movement. By 1928, over half of all industrial and more than one quarter of all commercial wage earners worked for firms affiliated with a *caisse de compensation*.⁵⁵ Family allowances were adopted in virtually every region of the Hexagon, especially in traditional metals and mining areas. The lobbying group of the family allowance movement, the CCAF, played an important role in shaping this growth.

In 1936 legal scholar Pierre Mazas explained the motivation behind family allowances as "above all of a moral order, partaking of Christian principles of the essential family wage as described in pontifical encyclicals."⁵⁶ This characterization cannot be reconciled with reality.

⁵⁴ Interview: Aymé Bernard, Third phase, 19 February 1976, AN 37 AS 2.

⁵⁵ VIIIe Congrès National des Allocations Familiales, *compte rendu*, 1928, p. 166.

⁵⁶ Pierre Mazas, *Le Fondement de l'obligation aux allocations familiales* (Paris: Recueil Sirey, 1936), p. 29. Mazas was referring primarily to Leo XIII's *Rerum Novarum* of 1891.



Figure 2 Distribution of family allowance *caisses* in June 1923. IIIe Congrès National des Allocations Familiales, *compte rendu*, 1923, preface.

Moral inspiration was a secondary motivation in the creation of the CCRP and the CCAF. No doubt, social Catholicism remained a vibrant tendency in the family allowance movement, yet CCAF meetings revealed pragmatists' dominant role. The nineteenth-century social Catholic origins of family allowances were quickly buried under layers of secular labor-cost calculations and maneuverings to evade state intervention. The circumstances and personalities of the CCAF's founding are particularly helpful in understanding the organization's outlook and the eventual evolution of employers' family welfare programs.